



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



FILE COPY

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November 7, 2011

Dennis Jenkerson, Fire Chief
St. Louis Fire Department
1421 N. Jefferson Avenue
St. Louis, MO 63106-2100

RE: Bureau of Emergency Medical Services – Billing Services (Project #2011-15)

Dear Mr. Jenkerson:

Enclosed is the Internal Audit Section's process review report of the Bureau of Emergency Medical Services (BEMS) – Billing Services, for the period July 1, 2009 through June 30, 2010. A description of the scope of the work is included in the report. Fieldwork was completed on June 28, 2011.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

If you have any questions, please contact the Internal Audit Section at (314) 657-3490.

Respectfully,

Dr. Kenneth M. Stone, CPA
Internal Audit Executive

Enclosure

cc: Cynthia Dixon, Fiscal Services Manager



CITY OF ST. LOUIS

ST. LOUIS FIRE DEPARTMENT

**BUREAU OF EMERGENCY MEDICAL SERVICES (BEMS)
BILLING SERVICES**

PROCESS REVIEW

JULY 1, 2009 THROUGH JUNE 30, 2010

PROJECT #2011-15

DATE ISSUED: NOVEMBER 7, 2011

**Prepared by:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

**CITY OF ST. LOUIS
FIRE DEPARTMENT
BUREAU OF EMERGENCY MEDICAL SERVICES (BEMS)
BILLING SERVICES - PROCESS REVIEW
JULY 1, 2009 THROUGH JUNE 30, 2010**

EXECUTIVE SUMMARY


Purpose

The Internal Audit Section (IAS) has completed a review of the Bureau of Emergency Medical Services (BEMS) Billing Services. The purpose was to determine if management effectively and efficiently managed risks to ensure the:

- Accomplishment of established objectives and goals
- Compliance with applicable laws, regulations, policies and procedures
- Safeguarding of assets
- Reliability and integrity of financial and operational information
- Economic and efficient use of resources

Conclusion

There were no current observations.


Dr. Kenneth M. Stone, CPA
Internal Audit Executive


Date

**CITY OF ST. LOUIS
FIRE DEPARTMENT
BUREAU OF EMERGENCY MEDICAL SERVICES (BEMS)
BILLING SERVICES – PROCESS REVIEW
JULY 1, 2009 THROUGH JUNE 30, 2010**

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INTRODUCTION

Background

The Bureau of Emergency Medical Services (BEMS) was established by Executive Order #27, dated April 19, 1997, within the Fire Department of the Board of Public Safety, and under the management of the Chief of Fire. The power and responsibilities of BEMS are established in the Revised Statutes of Missouri (RSMo) §190.060.

The mission of BEMS Billings Services is to streamline the billing process by making the process more efficient and responsive to customer needs, thereby increasing customer satisfaction and maximizing revenues. BEMS Billing Services is responsible for the billing and collection of revenues generated from emergency medical transports and non-transports.

Purpose

The purpose was to determine if management effectively and efficiently managed risks to ensure the:

- Accomplishment of established objectives and goals
- Compliance with applicable laws, regulations, policies and procedures
- Safeguarding of assets
- Reliability and integrity of financial and operational information
- Economic and efficient use of resources

Scope and Methodology

The review was confined to evaluating internal controls over the operational and fiscal activities of BEMS Billing Services. The audit procedures included inquiries of management and staff, observation of relevant processes, and reviews for compliance with policies and procedures, as well as applicable laws and regulations. Limited tests of controls, follow-ups on prior audit observations, and other procedures considered necessary were performed.

Exit Conference

An exit conference was not considered necessary since there were no observations.

Status of Prior Observations

Internal Audit Section followed-up on the following observations included in the audit report issued on March 20, 2006. The status of these observations is as follows:

1. Opportunity to reconcile bank statements and revenue reports to the general ledger - **Resolved**
2. Opportunity to reconcile the computer assisted dispatch reports to the Missouri Ambulance Reporting Forms (MARF) in accordance with policies and procedures - **Resolved**
3. Opportunity to implement controls to monitor and reduce the accounts receivable balance **Resolved**

Summary of Current Observations

There were no current observations. However, several control strengths of fiscal operations that contributed to the successful management of BEMS Billing Services were noted. These included, but were not limited to the following:

1. BEMS Billing Services had improved fiscal operations by:
 - Direct billing to insurance companies
 - Electronic billing to reduce paper claims and allow more time for follow-up on accounts billed
 - Billing for non-transports and copies of records
 - Accepting credit cards
 - Integration of a PIN-based field system to the Sanitas billing system to improve accuracy and efficiency and thereby reducing data entry time
 - Insurance verifications through insurers' websites
2. Updated written policies and procedures exist, which include BEMS' mission, philosophy, as well as a code of conduct statement.
3. Written job descriptions exist for all employees in the Billing Section.
4. Written specific performance standards have been developed for each position. Management and employees are required to sign and date a statement, indicating that they have read and understand the standards.
5. Weekly production reports are generated for management review. These reports indicate the extent of claims and registrations processed by each employee, and are based on the performance standards. The production reports are used to evaluate the employees.
6. Monthly management reports that track revenue and accounts payable are generated and reviewed.